
OPINION OF TRUSTEES

In Re

Complainant: Employee
Respondent: Employer
ROD Case No: 81-653 - October 29, 1985

Board of Trustees: Joseph P. Connors, Sr., Chairman; Paul R. Dean, Trustee;
William B. Jordan, Trustee; William Miller, Trustee; Donald E. Pierce, Jr., Trustee.

Pursuant to Article IX of the United Mine Workers of America ("UMWA") 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed the facts and circumstances of this dispute concerning the level of health benefits coverage under the terms of the Employer Benefit Plan.

Background Facts

The Complainant was employed in a classified position for the Respondent when he was laid off on January 28, 1983. Inasmuch as the Complainant accumulated more than 2,000 hours of service with the Respondent in the twenty-four (24) consecutive calendar month period prior to January 28, 1983, the last day he worked, the Complainant was entitled to extended health benefits coverage for the period January 29, 1983 to January 31, 1984, pursuant to Article III D. (1.) (a) of the Employer Benefit Plan.

On July 4, 1984, the Social Security Administration determined that the Complainant was eligible for disability benefits and established April 12, 1983 as the date of disability. On July 11, 1984, the Complainant filed an application for pension benefits under the UMWA 1974 Pension Plan to establish his eligibility for health benefits coverage as a disabled miner. On December 20, 1984, the Funds determined that when he reached age 55 he would be eligible to receive a pension based on at least twenty years of classified service, that he was eligible to receive Social Security Disability Insurance benefits and that he became disabled while in classified employment for a signatory Employer. Accordingly, he was advised that he may be eligible for health benefits coverage from his last Employer.

When the Complainant contacted the Respondent, it denied its responsibility to provide health benefits coverage for the Complainant as a disabled Employee stating that: (1) the Complainant was not working in a classified position for the Respondent when he became disabled; (2) the Complainant's disability was not subject to Workmen's Compensation or Sickness and Accident benefits; and (3) the Complainant is not a UMWA 1974 Pension Plan pensioner and is therefore not eligible for corresponding health benefits coverage.

The Complainant has asked whether the Respondent is responsible for the provision of health benefits coverage for himself and his eligible dependents.

Dispute

Is the Respondent responsible for the provision of health benefits coverage for the Complainant as a disabled Employee?

Position of the Parties

Position of the Complainant: The Complainant asks whether the Respondent is responsible for the provision of health benefits coverage for himself as a disabled Employee.

Position of Respondent: The Respondent is not responsible for the provision of health benefits coverage for the Complainant as a disabled Employee because: (1) the Complainant was not working in a classified position for the Respondent when he became disabled; (2) the Complainant's disability was not subject to Workmen's Compensation or Sickness and Accident benefits; and (3) the Complainant is not a UMWA 1974 Pension Plan pensioner and is therefore not eligible for corresponding health benefits coverage.

Pertinent Provisions

Article I (1), (2) and (4) of the Employer Benefit Plan provide:

Article I - Definitions

The following terms shall have the meanings herein set forth:

- (1) "Employer" means (name of coal company).
- (2) "Wage Agreement" means the National Bituminous Coal Wage Agreement of 1981, as amended from time to time and any successor agreement....
- (4) "Employee" shall mean a person working in a classified job for the Employer eligible to receive benefits hereunder....

Article II C. (1.) (a), (b), (c) and (d) of the Employer Benefit Plan provide:

Article II - Eligibility

C. Disabled Employees

In addition to disabled Pensioners who are receiving pension benefits and are therefore entitled to receive health benefits under paragraph B of this Article II, health benefits under Article III shall also be provided to any Employee who:

- (1) (a) Has completed 20 years of credited service, including the required number of years of signatory service pursuant to Article IV C (6) of the 1974 Pension Plan or any corresponding paragraph of any successor thereto, and
- (b) has not attained age 55, and
- (c) became disabled after December 6, 1974 while in classified employment with the Employer, and
- (d) is eligible for Social Security Disability Insurance Benefits under Title II of the Social Security Act or its successor;

Article III D. (1.) (a) and (b) of the Employer Benefit Plan provide:

D. General Provisions

- (1) Continuation of Coverage
 - (a) Layoff

If an Employee ceases work because of layoff, continuation of health, life and accidental death and dismemberment insurance coverage is as follows:

Number of Hours Worked for the
Employer in the 24 Consecutive Calendar Period of Coverage Continuation
Month Period Immediately Prior to the from the Date Last Employee's Date Last Worked
Last Worked

2,000 or more hours	Balance of month plus 12 months
500 or more but less than 2,000 hours	Balance of month plus 6 months
Less than 500 hours	30 days

- (b) Disability

Except as otherwise provided in Article II, Section C, if an Employee ceases work because of disability, the Employee will be eligible to continue health, life and accidental death and dismemberment insurance coverage while disabled for the greater of (i) the period of eligibility for Sickness and Accident benefits, or (ii) the period as set forth in the schedule in (a) above.

Discussion

On January 28, 1983, the Complainant was laid off from classified employment with the Respondent. Based upon service in excess of 2,000 hours for the Respondent during the twenty-four (24) consecutive calendar month period prior to his last date worked, the Complainant was eligible to receive continued health benefits coverage for the period January 29, 1983 to January 31, 1984, pursuant to Article III D. (1.) (a) of the Employer Benefit Plan. The Respondent has acknowledged the Complainant's entitlement to continued health benefits coverage as a laid-off Employee during this period.

Under Article II C. (1) of the Employer Plan, an Employee is eligible for health coverage as a disabled Employee if he meets the following requirements: (a) has completed 20 years of credited service, including the required number of years of signatory service; (b) has not attained age 55; (c) became disabled after December 6, 1974, while in classified employment with the Employer; and (d) is eligible for Social Security Disability Insurance benefits. Inasmuch as the Complainant clearly meets the requirements of (a), (b), and (d), at issue is whether he became disabled after December 6, 1974, while in classified employment with the Employer. The Respondent has stated that inasmuch as Social Security Disability Insurance benefits were based upon a disability date of April 12, 1983, the Complainant could not be considered to have been disabled while engaged in classified employment for the Respondent.

The issue of the eligibility for health benefits coverage of a classified Employee who becomes disabled during a period of continued health benefits coverage has previously been addressed by the Trustees in ROD Number 166 (enclosed herein). The Trustees concluded that a classified Employee who becomes disabled during a continuation of benefits period is considered to have become "disabled... while in classified employment with the Employer" within the meaning of Article II C. (1) (c) of the Employer Benefit Plan. Consequently, the Complainant was disabled while in classified employment with the Respondent and is therefore eligible to receive health benefits coverage as a disabled Employee under Article II C. (1) of the Employer Benefit Plan.

Opinion of the Trustees

The Complainant became "disabled ... while in classified employment with the Employer" on April 12, 1983. The Respondent therefore became responsible as of that date for the provision of health benefits coverage for the Complainant under Article II. C. (1) of the Employer Benefit Plan.